INTRODUCTION

In India, the first National Commission on Labour (1969), defined the unorganized sector, as that part of the workforce, “who have not been able to organize in pursuit of a common objective because of constraints such as (a) casual nature of employment (b) ignorance and illiteracy (c) small size of establishments with low capital investment per person employed (d) scattered nature of establishments and (e) superior strength of the employer operating simply or in combination”.

National Commission for Enterprises in Unorganized Sector (NCEUS), established by Government of India (2004) has defined the informal sector as: “an unorganized sector consists of all unincorporated private enterprises owned by individuals or households engaged in the sale and production of goods and services operated on a proprietary or partnership basis and with less than ten workers.” (GOI, 2007)

The term informal sector was first used in the socio-anthropological studies during the 1950s. Informal sector workers were defined, although indirectly, as “traditional sector workers, the petty traders like newspaper hawkers, as unproductive in agricultural sector and attracted by rising urban wage-rates for unskilled workers” (Lewis, 1954).

The importance of informal sector can be realized by considering the employment potential and its role in promoting economic development. The ILO definition (1972), incorporated the idea that informal sector had immense development potential because of its flexibility and potential for creative response to economic change. At the same time, this sector is characterized by absence of worker’s rights and social security provisions.

A workable definition of informal sector has remained a problem due to its changing structure over time. This has often led to confusion in proper classification of the workers of the organized and the unorganized sector. Some times, the organized sector used labourers on contract basis for a temporary period. As such, a scene of unorganized labour within the organized frame work is a usual phenomenon. These labourers are categorized as “informal labour market” in
contrast to “informal sector labour” that is confined to the workers in informal sector establishments (Papola, 1981).

To overcome the definitional problems arising due to dynamic character of this sector, in India, a clear definition is given by Central Statistical Organization—unorganized sector comprises of all those incorporated and household industries, which are not regulated by any legislation and which do not maintain any balance sheet. It comprises of marginalized economic units and workers, who are characterized by serious deficit in decent work. The two concepts are used, interchangeably in the context of labour and economic development and are known by names like “unregistered/unremunerated/residual sector” etc. (Weeks, 1975).

Women workers are an important part of informal economy. They are characterized by low level of organization, small-scale production, casual employment, little or no social protection and lack of job security or health insurance. The estimate by Women in the Informal Economy Globalizing and Organizing (WIEGO) suggests that informal economy accounts for over half the urban employment in Africa and Asia and a quarter in Latin America and Caribbean. In Asia and The Pacific, women in the informal sector are concentrated mainly in small enterprises, which are often family based using simple labour intensive techniques. Their jobs are unregulated, vulnerable and dependent on sub contracting.

The second half of the nineteenth century witnessed the emergence of a new class in the Indian society-industrial working class that included a large number of women workers also. The first attempt of interpreting the economic history of ancient Indian women was made by A.N. Boss (1970). He pointed out that females, in unorganized sector, were kept as slaves for manual and physical nature of jobs, facing various hardships in sun and rain.

Jaiswal (1980), also raised concern towards slavery and discussed the possible connection between women’s status and their involvement in production, within the framework of emerging class divided society and links between kinship structures.

Economists in different studies laid stress on hardships being faced by women engaged in informal sector and suggested measures to improve their conditions. Changing and reversing trends, along with obtaining basic worker’s
reproductive and parental rights were seen as crucial for improving unorganized women’s conditions. The Government policy is considered as major component in securing and supporting the rights and livelihood of such women. The women’s movement creates a nominal commitment on the part of the Government to women’s participation in organizational decision-making in state recognized organizations. These organizations would provide organizational space to solve problems and may provide chance for some women to develop leadership skills (Everett and Savera, 1994).

The general features of women informal sector employment highlights low wages, no benefits, no organization. They differ in methods of recruitment, payment, ease of entry and hours of work, peace rate or daily/weekly wage rate, extent and nature of supervision. These disadvantages exist for men informal sector workers also. But, hierarchy inherent in gender relations, put extra obstacles for women.

Insecurity and lack of safety are the symbol, for the women employed in the informal sector. Majority of the women workers are classified as marginal workers because of irregular nature of their employment. Since, they are marginal workers, they are deprived of several social security benefits such as maternity benefits, pension etc. Work security is nil as even work records are mostly non-existing (Dietrich, 1995).

Women workers in the informal sector faced very miserable conditions. Ignorance, traditional bound attitudes, illiteracy, lack of skills, seasonal nature of employment, heavy physical work of different types, long hours of work with limited payment, sex discrimination in wage structures, lack of guarantee of minimum wages/ comprehensive legislation/minimum facilities; migration and disintegration of families, bondage and alienation are some characteristics of employment of women in this sector. However, these unattractive sectors, still involved many women because they search these jobs for their livelihood (Deshpande, 1996).

The existence of female occupation is sighted in a study of 41 countries. It was pointed out that principle reason for women wages, being less than that of men,
is lesser opportunity for upward mobility and greater financial pressure to survive (Anker, 1997).

The labour market segregation, which means women being concentrated mainly on certain segments, is linked to social norms and patriarchal ideology, which propagate that women are suited to low paid jobs only. The activities in which they are involved, do not constitute value production. This leads to low valuation of women’s labour and a low status for her within the hierarchy. Thus, profit is, thus, made by minimizing labour cost, particularly that of women (Ofreneo, 2000).

Informalisation of labour force in South Asian countries seems to be increasing. There are two broad components of informal economy-non wage employment and wage employment and they show an increasing participation of women. Though, low quality of employment, available in informal sector, is not satisfactory, but, at the same time, the informal employment will help many households in reducing the intensity of poverty. Declining opportunities for formal sector work has contributed to increasing number of women seeking informal sector work (Jeemol Unni, 2001).

In Indian scenario, Kundu and Sharma (2001), used secondary data to look into the trends and patterns in the informal sector at the macro level. Looking into the trends and patterns of informal sector in the manufacturing arena, the study found that there is increasing employment without increase in productivity or efficiency. In this study, it has been observed that the situation of women exposed more miserably than earlier (Kundu et.al, 2001).

Examining the strengths and status of informal sector women workers, in context of globalization, it was observed that process of casualisation of women labour force, feminization of poverty and growth of rigidity, in getting non-agriculture organized sector jobs for women, forced them to opt jobs in unorganized sector (Kalpagam, 2001). Globalisation has had a two-fold impact on working women- growing informalisation and fragmentation of work on the one hand and expansion of opportunities on the other (Hensman, 2001).

Women’s mobility increased due to greater demand for female labour in certain services. Society, gradually, developed acceptance for women’s economic independence. Majority of females, rural-urban migrants in east and southern Asia,
were young and unmarried with greater concentration pronounced in “mega cities”. Jobs, commonly undertaken by, female urban migrants were that of domestic work, construction work, sex work, and work in labour intensive manufacturing etc. in developing countries of Africa and Asia. These female workers migrated to urban areas, through chain migration, that is, via caste, kinship relations. This migration, at one hand helped to improve economic condition of female workers, but at the same time, they also witnessed multi-facet problems (Guest, 2003).

Significant changes in the world economy such as rapid globalization, fast paced technological progress and growing informalisation of work, greatly effected women’s labour market status. While providing opportunities for economic growth in global and national economies, these changes have generated major challenges — meeting the greater demand for skilled jobs, maintaining the employability of a large segment of national labour force and potential instability arising from such changes. These developments have raised concerns about unfavorable employment situation among the young, the old and the less skilled. There is a bias against women in all these categories. They are being disproportionately engaged in non-standard forms of work, such as temporary casual employment and part time jobs (ILO report, 2003).

Due to this bias, experience of social security rights by men and women in equivalent employment situation has since long been examined by ILO (1990). The extent of the need for specific protection of women as mothers and as workers with family responsibility is also laid stress upon. It also argues for a move towards personal entitlement to social security for women, independent of their family and marital status, in line with their growing integration into the world of work.

Unni (1997) looked into the impact of social protection policies in unorganized sector on wages and employment. Informal sector activities in the sectors of construction, scrap collections, handicrafts and tourism reveal that workers, elsewhere, suffer from low educational skills, low wages, poor working conditions and high exploitation by middlemen. The workers plight in this sector can be improved by improving labour skills, increasing access to credit, labour laws and social security (Anand, 2001).
Report on National Commission for Women (2004), suggested a reformative approach towards improving the socio economic status of informal sector women. It emphasized the effectiveness of self help groups. SHG is self governed, peer controlled, small informal association of poor, usually formed of socio-economically homogenous families, who get organized around saving and credit activities. Based on field survey of different districts of Rajasthan and Tamil Nadu, the report emphasized that SHG concept should target the holistic development of women. For this purpose, relevant information on SHGs, should be propagated.

Influenced by the ILO concept of “decent work”, different studies made 1999-2000 onwards, laid greater stress on achieving it, for workers engaged in informal sector. Discussions were made on formation of type of policies and groups to achieve decent work for all unorganized workers in urban India. Key areas suggested for improvement included pay levels, amount and regularity of days of work, extra remuneration for excess hours of work, training and organizing the workers. Women’s pay levels, particularly required attention, as most of them earn far less than published minimum wages in the state. It was suggested that they should have access to written contracts, fair dismissal terms, eligibility for non-wage benefits, medical care, maternity benefits and paid holidays.

In India, due to hardships being faced by women engaged in informal sector, the need for labour welfare was felt urgently to create healthy atmosphere at work place, for keeping labour force stable and for maintaining balance at work place. Based on definition of the Committee on Labour Welfare, set up by Government of India (1969), in association with ILO, it was demanded that labour welfare services should enable the worker to live a richer and more satisfactory life. It should contribute to increased productivity of labour and efficiency of enterprise by raising the standard of living of the workers. The future needs of workers must be catered and welfare practices should offer a cushion to absorb the shock of industrialization and urbanization on workers. Besides, labour welfare measures should be administratively viable and essentially developmental in outlook.

In order to achieve labour welfare- employers, Government and trade union should join hands together for implementing various social security schemes. The ILO’s definition of social security observes, “social security is the protection that a
society provides to individuals and households to ensure access to health care and to guarantee income security: particularly in cases of old age, unemployment, sickness, invalidity, work injury, maternity or loss of a bread winner”.

According to present day conditions, social security covers up program of protecting the old and invalid. In status, the program includes, quite a number of schemes e.g. survivors insurance, health and maternity insurance, workmen’s compensation, unemployment insurance and family allowances. It also includes safety, relief and protection against sickness, maternity, disablement medical, dependents funeral and employment insecurities and risks along with various safeguards pertaining to health, safety, welfare and working hours in industrial establishments.

In India, various constitutional provisions and legislations are available to ensure ample safety and the promotion of health of workers engaged in informal sector, where 10 or more workers are employed. These provisions demand, fixation of minimum wages and number of working hours per day, compensation to workers engaged in different establishments for injuries caused due to accidents, non-discrimination in wage rates of migrant workers and females, assurance of minimum level of economic and social security, equal opportunities of work for men and women workers, provision for paid leave and sick leave, maternity benefits and old age pension etc. However, the heterogeneous and scattered character of vast informal sector has limited the applicability of these legislations.

NCEUS in a comprehensive report on “Conditions of Work and Promotion of Livelihoods in the Unorganized Sector (2007)” has very minutely discussed the position of females engaged in urban informal sector and complexities involved in their work:

a) Women workers in non-agricultural sector:

The commission is of the view that problems of women workers in general and in unorganized sector in particular, deserve special attention, due to their marginalized position within the class of workers. Even when women are not employed, they are engaged in contributing to the national output. A considerable share of their time is consumed by socially productive and reproductive work i.e. they are prone to ‘double burden of work’ that distinguish them from men. In
informal economy, their task becomes even more tough as females are engaged in activities, that require long hours, to obtain a subsistence wage. There is a behavioral differentiation among these women, which is influenced by their basic social and economic characteristics. This tendency, also clarifies the difference between men and women workers from rural areas and more specifically, those of rural women belonging to the bottom layer of the Indian society i.e. SC’s/ST’s. A comparison of selective indicators shows that urban women workers in general are better off than even the rural man workers. But this advantage is somewhat denied, if one analyses the status of urban women belonging to SC’s and ST’s. However, rural women workers in general seem to be more disadvantaged than even urban SC’s/ST’s women workers. The problems of women workers can be discussed in following order:

- A larger issue of double burden of work.
- Women workers and invisibility of their work.
- Conditions of work as well as discrimination.

A woman, therefore, engages as a subsidiary worker in part-time work and with considerable domestic duties and yet is available for additional work. The reproductive work of women is less visible and less recognized by the society. The central statistical organization of the GOI provides official visibility to the double burden of work. The report classifies the activities based on 1993 System of National Accounts (SNA) into three categories:-

- Those coming under economic activities that are included in the SNA.
- Those that are not included in the SNA but are characterized as extended SNA, which include household maintenance and care for children, old and sick in the household.
- Non-SNA consisting of the social and cultural activities, leisure and personal care.

The study found that women spent much extra time in SNA plus extended SNA activities as compared to men. The result of this can be seen in form of, the lower levels of health and well-being of women, as compared to men. Women
situation in the informal economy is graver, since the condition, under which they labour in the SNA activities is already complex.

In urban areas, these women at home are sewing and tailoring, fetching water and tutoring children free of cost etc. If all these were to be included as economic activities, the participation rates of women would be considerably higher than what has been estimated. However, women from lower social strata (SC, ST) were more likely to engage in economic activities and in addition, in free collection of goods, perhaps due to lower economy status of their households. The recognition of women’s contribution to extended SNA could lead to formation of more appropriate policies for them.

b) Availability for additional work:-

Despite stress from the double burden of work, the economic condition forces many women to be available for additional work. More than $\frac{1}{3}$ of these women engaged in domestic duties for major part of the year by principal status were of view that they would engage in productive activities, if such work was available within confine of their homes. In nutshell, the double burden of work restricts her mobility and hence the choice for place of work.

c) Non-conventional place of work:-

The conventional idea of a workplace is the office, factory or an institution, but findings revealed that in 2004-05 only, half of the total non-agricultural workforce and just 18% of the women workers, worked in conventionally designated place. About 23% of all unorganized workers worked from their own homes. Among women, this percentage was as high as 54%, taking rural and urban females together.

Due to lack of clear-cut employer-employee relationship, in the case of the self employed and home-workers and lack of designated place of work, for majority of women, there was problem of invisibility of their work, making their employer to be more exploitative, by denying them of additional benefits, they deserved.

Workers engaged in enterprises on casual basis, who tend to change their employment frequently, were also getting deprived of any social security benefits.
Unorganized workers, in both self-employment and wage-employment categories, remain legally unrecognized as workers, which implies that the existing laws related to minimum wages and social security are not available to them. Besides, lack of legal recognition, lack of designated business place also increases their vulnerability. Further, the scattered nature of work, make organization of these workers more difficult, which adding to their invisibility.

d) Nature of participation of women:-

Given the characteristics of double burden of productive and reproductive activities and confinement to non-conventional places for work, these things together combined with, the poor access to human and physical capital leads to much lower participation of adult women in workforce than men do. In rural areas, while nearly half of the adult women participate in the workforce. Only a little more than 1/5 th of the urban women do so. However, the work participation rates of SC’s/ST’s women are significantly higher than women in general.

Another prominent characteristics of women workforce participation is that even within the low participation rate of women, a large part is of subsidiary status .i.e. nearly a quarter of women workers. Subsidiary status workers are workers not getting formal jobs and thus looking for informal jobs for a large part of the year. This tendency reflects the erosion in formal jobs and increase in informal jobs.

e) Conditions of women’s work:-

(i) Gender discrimination:-

Discrimination is visible in various forms such as in the nature of work performed, skill required to perform the work, valuation of these skills and the technology used by men and women. Some case studies showed that women workers were concentrated in low paid category of workers, receiving substantially lower wages than men do. There is clearly sexual division of labour and with the introduction of machines, this has further been augmented and facilitated. Males are doing skilled activities, whereas females are mostly helpers in these units. Obviously, women receive lower wages and have limited job mobility.

These women are also marked by occupational segregation that represents a form of discrimination, when large segments of the female labour force, in nut shell, are restricted from entering many occupations. They are often restrained by vertical
segregation within an occupation i.e. women have fewer opportunities for advancement within an occupation. Even in health & education sector occupational segregation is visible.

(ii) Valuation of skills:-

Owing to sexual division of labour, it is observed that in most of the industrial groups, there is male domination in jobs, where women are placed as low skilled, even if they are having exceptional talent and years of informal training. Men are tended to be placed in all the critical ‘skilled’ jobs and were consequently paid higher wages. The result of this is sex-typing of jobs is clear from the that once the jobs in which women get concentrated, are categorized as ‘low skilled’ jobs, which receive lower wages.

1.1 Rationale of the study:

Based on various classifications given by NSSO, National Accounts Statistics and various labour laws, NCEUS has broadly given following categories of informal sector workers. The literature indicates that no detailed study has been made so far on female employed in these categories. There is need of in depth study of socio economic conditions of different categories of female workers in engaged in informal sector.

1. Wage workers in unorganized sector
2. Self employed in unorganized sector
3. Un protected wage workers in organized sector
4. Regular unorganized workers
5. Home workers: There are further of two types:
   a) Independent workers
   b) Dependent sub contract workers

1.2 Objective of the study:

The broad objective of the present study is to examine the socio economic conditions of different categories of females (as described by NCEUS) in Amritsar city, who are above 15 years of age. Specifically, study aims:
To analyze the living conditions of female workers in urban informal sector
To analyze the working conditions of female workers in urban informal sector
To analyze the income, expenditure and savings of female workers
To analyze the social security aspect of female workers engaged in informal sector

1.3 Organization of the study:

The study has been divided into eight broad chapters.

- Chapter 1: Introduction
- Chapter 2: Review of Literature
- Chapter 3: Database and Methodology
- Chapter 4: Evaluation of Living Conditions of Female Workers Engaged in Informal Sector
- Chapter 5: Evaluation of Working Conditions of Female Workers Engaged in Informal Sector
- Chapter 6: Income, Expenditure and Savings of Female Workers
- Chapter 7: Evaluation of Social Security Aspect of Female Workers
- Chapter 8: Summary, Conclusions and Policy Implications